

Bank of Montreal



Paul V. Reagan

SENIOR VICE PRESIDENT AND U.S. GENERAL COUNSEL
312-461-3107

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Public Information Room
Office of the Comptroller of the Currency
250 E Street, S.W.
Mail Stop 1-5
Washington, D.C. 20219
Attn: Docket No. 03-27

Mr. **Robert E. Feldman**
Executive Secretary
Attn: **Comments/Executive**
Secretary Section
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D. C. 20429

Ms. Jennifer J. Johnson
Secretary
Board of Governors
of the Federal Reserve System
20th Street and Constitution Ave., N.W.
Washington, D. C. 20551
Docket No. R-1173

Mr. **Jonathan G. Katz**
Secretary
Securities and Exchange Commission
450 5th Street N.W.
Washington, D. C. 20549-0609
File No. **S7-30-03**

Ladies and Gentlemen:

BMO Financial Group appreciates the opportunity to comment to the Board of Governors of the Federal Reserve System (the "Board"), the Federal Deposit Insurance Corporation ("FDIC"), the Office of the Comptroller of the Currency ("OCC"), and the Securities and Exchange Commission ("SEC") (collectively, the "Agencies") on the Advanced Notice of Public Rulemaking ("ANPR") to consider alternative forms of privacy notices under the Gramm-Leach-Bliley Act (the "GLB Act").

BMO Financial Group is a Canadian organization operating in the United States with three foreign banking offices, and under Harris Financial Corp., a financial holding company with assets of more than \$38 billion (U.S.) at year-end 2003, 29 banks including Harris Trust and Savings Bank and several non-bank entities, two of which are registered broker dealers. We offer a wide range of financial services including trust, retail and private banking, and investment services.

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Comments to the ANPR

We appreciate the Agencies soliciting comments to improve the quality of privacy notices required under the GLB Act. We agree that the Agencies should consider developing a simple, short-form privacy notice and we support the comments submitted by the Financial Services Roundtable of which we are a member institution. We also offer the following additional comments.

We strongly encourage the Agencies to address the new disclosure requirements required under the Fair and Accurate Credit Transactions Act ("FACT Act") prior to developing any alternative privacy notices or proposing amendments to the regulations implementing the privacy provisions of the GLB Act (collectively referred to as "the privacy rule"). Delaying any amendment to the privacy rule until all disclosure requirements are finalized will be less confusing for consumers and more efficient for institutions.

We would encourage the Agencies to amend the privacy rule to permit an institution to offer an alternative privacy notice as the primary document for communicating their privacy policy to their customers. Our concern is that the ANPR is unclear in this regard. The alternative privacy notice should be designed to provide customers with essential information about an institution's privacy policy. In addition to providing customers with an easy to understand format, a shorter privacy notice would allow institutions to reduce their printing costs without incurring any competitive disadvantage in using a shorter privacy notice.

As for the format for the alternative privacy notice, we would support the adoption of a specific format. A specific format would allow customers to quickly understand the content of privacy notices from different institutions allowing a customer to easily identify the section he or she wishes to review. We also support standards for the content of a new privacy notice and certain minimum language requirements that would serve as a safe harbor; provided however, that institutions still retain the flexibility of drafting their own language. This flexibility would allow institutions the opportunity to clearly describe their specific privacy practices, but we expect most will use the standardized format.

We would recommend the alternative privacy notice address the essential elements required by the GLB Act. This would include categories of information collected, the categories of information that may be disclosed, the types of third parties and/or affiliates to whom information that is collected may be disclosed, and the customer's choices for limiting the disclosure of certain information. In addition to these requirements, we would recommend the alternative privacy notice include instructions on how the customer can limit marketing solicitations from an institution. Our experience has shown that customers are interested in the ways they can limit the receipt of marketing materials. Consumers do not

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necessarily distinguish between information sharing and marketing, and **so** this is a good place to address both linked topics.

In addition to addressing the elements detailed above, the alternative privacy notice should allow for the inclusion of any specific state law requirements, such **as** the opt-in requirement under Vermont law for sharing with affiliates and the opt-out requirement under California law for sharing under joint marketing agreements. By allowing for the inclusion **of** these state law requirements, an institution can provide one simple, easy **to** read notice to their customers rather than sending them separate notices. It is our concern that the ANPR **does** not clearly address this issue.

We would also support a requirement to have a longer form privacy notice available upon request, provided the content requirements for this longer form privacy notice are essentially the same as the current requirements under the privacy rule. The current privacy rule requires institutions to provide detailed information on their privacy policies and practices. There are no additional content requirements that we would recommend for **a** longer form privacy notice.

We thank you for allowing us the opportunity **to** provide you **with** comments on the ANPR and look forward to reviewing any future proposed rules. **If** you have any questions concerning this comment letter, or if **we** may otherwise **be** of assistance, please do **no** hesitate to contact **us**.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Reagan", written over a light gray rectangular background.
Paul V. Reagan